



# ***Medicare Advantage Benefit Flexibility (Supplemental Benefits and Uniformity)***

**Heather Kilbourne**

*Division of Policy, Analysis, and Planning, Medicare Drug and Health Plan Contract Administration Group,  
Center for Medicare, CMS*

**Brandy Alston**

*Division of Policy, Analysis, and Planning, Medicare Drug and Health Plan Contract Administration Group,  
Center for Medicare, CMS*



# Topics

- Overview
- Supplemental Benefits
- Uniformity Flexibility
- Bipartisan Budget Act of 2018
- Q&A



Two ways Medicare Advantage (MA) organizations will have greater flexibility when designing plan benefit offerings beginning contract year (CY) 2019:

1. Expanded Supplemental Benefit Options
2. Benefit Uniformity Flexibility



# Overview (continued)

Supplemental Benefits and Uniformity Flexibility are both optional.

NOTE: Organizations may choose to offer benefits related to one, both, or none of these new policies.



# *Supplemental Benefits (1 of 6)*

- Primarily Health Related Definition
- Supplemental Benefit Requirements
- Examples of Eligible Supplemental Benefits



# Supplemental Benefits (2 of 6)

CMS defines a mandatory or optional supplemental health care benefit as an item or service:

1. Not covered by Original Medicare,
2. That is primarily health related, and
3. For which the plan must incur a non-zero direct medical cost.



- Primarily Health Related Definition

*An item or service that is used to diagnose, prevent, or treat an illness or injury, compensate for physical impairments, act to ameliorate the functional/psychological impact of injuries or health conditions, or reduce avoidable emergency and healthcare utilization.*



## Requirements

- Must be medically appropriate
- Must focus directly on an enrollee's health care needs
- Must be recommended by a physician or licensed medical professional as part of a care plan if not directly provided by one





## Requirements

- Must not be used primarily for comfort, general use, or other non-medical reasons
- Must not include items or services used to induce enrollment



## Expectations

- Organizations will establish reasonable safeguards to ensure enrollees are appropriately directed to care
- Organizations will make adjustments to their annual offerings based on the health care needs of their plan population



# Supplemental Benefits – Examples (1 of 4)

## Adult Day Care Services

Services provided outside the home, such as assistance with ADLs/IADLs. Provided by staff whose qualifications and/or supervision meet state licensing requirements.

## Home-Based Palliative Care

Services not covered by Medicare in the home for palliative care to diminish symptoms of terminally ill members with a life expectancy of greater than six months. Services may include palliative nursing and social work services in the home that are not covered by Medicare Part A.



# Supplemental Benefits – Examples (2 of 4)

## In-Home Support Services

In-home support services performed by a personal care attendant or by another individual that is providing these services consistent with state requirements in order to assist individuals with disabilities and/or medical conditions with performing ADLs and IADLs as necessary to compensate for physical impairments, ameliorate the functional/psychological impact of injuries or health conditions, or reduce avoidable emergency and healthcare utilization. Services must be performed by individuals licensed by the state to provide personal care services, or in a manner that is otherwise consistent with state requirements.



# Supplemental Benefits – Examples (3 of 4)

Transportation for  
Non-Emergent  
Medical Services

Transportation to obtain Part A, Part B, Part D, and supplemental benefit items and services. The transportation offered must be used exclusively to accommodate the enrollee's health care needs. Transportation for non-medical services, such as groceries and banking, are not permitted.



# Supplemental Benefits – Examples (4 of 4)

## Home & Bathroom Safety Devices and Modifications

Specific, non-structural, non-Medicare-covered safety devices to prevent injuries in the home and/or bathroom. In addition to providing and installing appropriate safety devices, the benefit may include a home and/or bathroom safety inspection conducted by a qualified health professional, in accordance with applicable state and Federal requirements, to identify the need for safety devices and/or modifications, as well as the applicability to the specific enrollee's needs and home.



# *Uniformity Flexibility (1 of 6)*

- Background
- Reinterpretation
- Conditions & Limitations
- Allowable Benefits



# *Uniformity Flexibility (2 of 6)*

- CFR 42 § 422.100(d) requires that all plan benefits and cost sharing must be offered uniformly to all enrollees residing in the service area of the plan





## Previous Interpretation

MA plans must offer the same benefits and cost sharing to all plan enrollees.

## Reinterpretation (Effective 2019)

MA plans may:

1. Reduce cost sharing for certain covered benefits,
2. Offer specific, tailored supplemental benefits, and
3. Offer different deductibles for beneficiaries that meet specific medical criteria.



# *Uniformity Flexibility (4 of 6)*

- Targeted benefits must be offered uniformly to all enrollees with a specified health status or disease state
- Treating similarly situated enrollees equally preserves the uniformity of the benefits package
- In identifying eligible enrollees, must use medical criteria that are objective and measurable



# Uniformity Flexibility (5 of 6)

- Must follow Medicare marketing guidelines for communication and marketing materials in communicating these benefits to potential enrollees
- Cost sharing reductions and targeted supplemental benefits must be for health care services that are medically related to each disease condition
- Must ensure compliance with non-discrimination rules and regulations



# Uniformity Flexibility (6 of 6)

## Allowed:

- May reduce or eliminate cost sharing or deductible requirements for items or services.
- May make coverage for certain supplemental benefits available only to targeted populations.
- May offer targeted benefits to enrollees who participate in a plan-sponsored wellness or care management program.
- May offer targeted benefits to enrollees when they visit providers identified by the plan as being high-value.

## Not Allowed:

- May not reduce or eliminate premiums. Plan premium and Part B premium buy-down amounts must be the same for all enrollees in the plan.
- May not offer targeted benefits based on socio-economic status or any other state other than health status or disease state. May only provide access to targeted benefits based on health status or disease state (specific medical criteria).
- May not reduce cost sharing across all benefits for the targeted population.



# *Bipartisan Budget Act of 2018*

- The Bipartisan Budget Act of 2018 (Public Law No. 115-123) will further expand supplemental benefits only for chronically ill enrollees beginning CY 2020
- CMS will release future guidance concerning the additional flexibilities authorized by the Bipartisan Budget Act of 2018 and will provide guidance prior to the CY 2020 bid deadline
- This new legislation does not impact or change our reinterpretation of primarily health related or of the uniformity requirements



# Questions?

- If you have any policy related questions, please submit your question to: <https://dpap.lmi.org/dpapmailbox/>
- If you have any operational and/or PBP related questions, please submit your question to: <https://mabenefitsmailbox.lmi.org/>